

Litchfield Elementary School District's Update of the Progress of Capital Improvements Financed Through Bonding

On November 7, 2006 the voters of the Litchfield Elementary School District authorized the District to sell class B bonds in the amount of \$30,500,000. Per State Statue 15-491K a school district that issues bonds must hold a public meeting each year between September 1 and October 31 to give an update on the progress of the capital improvements financed through bonds. The following is the breakdown of the \$30,500,000 bonds as noted in the election ballot document:

Remodel Existing Schools	\$ 3,440,040	
New School Construction	\$24,960,524	
Pupil Transportation Vehicles	\$ 1,441,781	
Administrative Construction	<u>\$ 657,655</u>	
	\$30,500,000	Current Balance \$11,398,405

Below you will find an update by category:

Remodel Existing Schools

Budget: \$3,440,040 Expenditures to Date: \$1,042,451 Balance: \$2,397,589

Litchfield Elementary School - \$615,654: The District has completed the upgrade of electrical power to the school campus. We have completed the installation of new heating and cooling units on the 1700 and 1800 buildings. We have completed the remodel of the media center and computer lab. The remodel of all 1700 and 1800 building classrooms and workrooms have been completed. We have started to design the remodel work for the classrooms in buildings 900 and 1000.

Scott Libby Elementary School - \$426,797: The District has completed the remodel of student restrooms and the front office area. We have completed the installation of a new intercom system and upgraded computer wiring including new fiber optics. We've improved and added new fence around the gymnasium for safety reasons. We have worked with APS to replace the main electrical transformer. We have completed major electrical improvements to the kitchen building and computer lab areas. Over half of the main water line has been replaced. All classrooms in the "G" and "E" buildings have been remodeled. We have started the design process for the remodeling of the "D" building.

Construction Costs and Future Plans: Remodel costs have come down but we are running into hidden issues (asbestos). The next remodel project for Litchfield Elementary School will be the classrooms in the 900 and 1000 buildings. This should cost approximately \$425,000. The next remodel project for Scott L. Libby Elementary School will be to remodel the classrooms in the "D" wing. The estimated cost on this project will be approximately \$275,000.

New School Construction

Budget: \$24,960,524 Expenditures to Date: \$16,369,320 Balance: \$8,591,204

Verrado Elementary School - \$10,678,080: We have completed Phase I, Phase II and most of Phase III of the Verrado Elementary School. We have started building the last two buildings (kitchen and cafeteria buildings) of the total project. We anticipate the entire project will be completed by January 2010.

L. Thomas Heck Middle School - \$5,334,050: We had several issues with this project; sewer line locations, burrowing owls, dealing with the open canal on the east side of the property, dealing with the concerns of the neighboring homeowners and the biggest issue was dealing with the civil engineers and obtaining a permit.

The project is 99% complete and we were able to open for the first day of the 2009-10 school year.

Mabel Padgett Elementary School - \$357,190: The City of Goodyear has issued permits and we have started moving earth on the construction site. Unfortunately we are about a month behind schedule and the State still does not have the money to fund the project. The Governing Board of the Litchfield Elementary School District has approved moving money from other areas of the overall bond budget to build this school. Even with the additional bond funds we will not be able to build 100% of the school. This action also takes money away from remodeling our two oldest schools and the ability to purchase more school buses.

Administrative Construction:

Budget: \$657,655 Expenditures to Date: \$504,681 Balance: \$152,974

The Administrative Office – Temporary Classroom building has been completed and is currently in use.

Pupil Transportation Vehicles:

Budget: \$1,441,781 Expenditures to Date: \$1,169,970 Balance: \$271,811

Financial Costs Associated with the Selling of Bonds:

By law the District may spend bond proceeds to cover the legal cost of issuing bonds. To date the District has spent \$15,173.

Other Funds Used for Construction:

The District uses funds from our Capital Budget to help with the cost of remodeling, construction of the new Administrative Office – Temporary Classroom building and to furnish the new Schools. We also anticipate using money donated by DMB to help offset the cost of the final construction phase of the Verrado Elementary School.